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ABSTRACT

This report discusses the differences between universities and business institutions and why they are different in handling their affairs. The premise of the report is that public universities must become more transparent if they are to receive adequate support from interested parties. Five main areas are discussed in a comparative assessment between these types of organizations. The first asks why universities rarely set specific goals toward which progress can be measured. The second concerns the problems and limited progress universities have made in measuring output and enhancing efficiency in teaching and research. Third is the role of competition in improving research and graduate teaching compared with the relatively weak competitive forces leading to improved undergraduate programs. The fourth area examines the reasons for complex committee structures, widely dispersed authority, and requirements for effective leadership. Finally, the paper examines some of the much-criticized features of academic appointments such as tenure, sabbaticals, irregular hours, and perceived high level of freedom. Contains 12 references. (GLR)

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THE UNIVERSITY – SOME DIFFERENCES FROM OTHER ORGANIZATIONS

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CSSHE Professional File

The purpose of the Professional File is to present one or more possible solutions to a current problem in post-secondary education. The solutions that are described have been found to be effective on at least one campus. Topics and authors are approved by the Publications Committee and the Executive Council of CSSHE. The Professional File is published up to four times per year by CSSHE and is distributed free of charge to CSSHE members. In these times of accountability and rationalization, it is important to improve our ability to communicate with people not directly involved in the day-to-day affairs of the university. In this File, Dr. Smith addresses some of the differences between universities and other organizations. A version of this paper was presented to the Senate (similar to a Board of Governors) of the University of Alberta in November 1991. It was very well received by this group. We hope that it will help others from the university community to communicate better with those having a different background. The author has been at the University of Alberta since 1969 and served as Dean of the Faculty of Business from 1978 to 1988. Your comments and suggestions regarding this series are always welcome.

Norman Uhl and Gilles Jasmin, Co-editors

THE UNIVERSITY – SOME DIFFERENCES FROM OTHER ORGANIZATIONS

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Abstract

What is the difference between universities and business institutions and why? In answering this question, the paper is primarily addressed to "outsiders" – board members, alumni, community leaders, politicians – who wish to better understand how universities are organized and managed. The premise is that public universities must become more transparent if they are to receive adequate support from interested parties. Secondarily, the paper should help academics better understand some of the features of a university which "outsiders" may find puzzling or unacceptable.

Five main areas are discussed. The first is why universities rarely set specific goals toward which progress can be measured. Second, are the problems and limited progress universities have made in "measuring output" and "enhancing efficiency" in teaching and research. Third, is the role of competition in improving research and graduate teaching compared with the relatively weak competitive forces leading to improved undergraduate programs. Fourth, the paper examines the reasons for complex committee structures, widely dispersed authority, and requirements for effective leadership. Finally, the paper examines some much-criticized features of academic appointments – tenure, sabbaticals, irregular hours, and great "freedom". The objective of the paper is to ensure that future change occurs with a better understanding of strengths as well as weaknesses in the current management and structure of universities.

Sommaire

En quoi les universités sont-elles différentes des entreprises d'affaires et pourquoi ces différences existent-elles? La réponse qui est faire à cette question s'adresse aux non-initiés – membres des conseils universitaires, anciens, politiciens et représentants de communautés locales – qui veulent mieux comprendre comment les universités sont organisées et gérées. L'auteur adopte pour prémisse que la gestion des universités publiques doit devenir plus transparente si elles espèrent obtenir des groupes intéressés un soutien adéquat. Cet article peut également aider ceux qui oeuvrent à l'intérieur des établissements à mieux comprendre ce qui, dans l'institution universitaire, peut paraître obscur ou inacceptable à ceux qui se trouvent à l'extérieur de ses murs.

Le texte est divisé en cinq grandes parties. La première traite des raisons pour lesquelles les universités se fixent rarement des objectifs

précis même si cela les privent d'un moyen qui, en apparence, leur permettrait de mieux évaluer leur progrès. La seconde porte sur les problèmes que les universités recontrent et le peu de progrès qu'elles font dans leurs efforts pour mesurer leur «production» et pour améliorer leur «productivité» en matière d'enseignement et de recherche. La troisième analyse l'effet de la concurrence sur l'amélioration de l'enseignement et de la recherche aux cycles supérieurs, comparativement au premier cycle où la concurrence est beaucoup moins forte. La quatrième partie a trait aux facteurs qui expliquent l'existence de structures consultatives complexes, à la dispersion de l'autorité et aux conditions nécessaires à l'exercice du leadership. Enfin, l'auteur se penche sur quelques uns des aspects les plus controversés des conditions d'emploi du personnel enseignant – la permanence, les congés sabbatiques, les horaires de travail irréguliers et la très grande liberté de parole et d'action. L'auteur croit que les changements qui pourraient être adoptés au mode de gestion et d'organisation des universités seront d'autant plus bénéfiques qu'on comprendra mieux la situation actuelle.

Many individuals need to bridge the gap between the university and other communities. This paper is intended to enable interested individuals, whether university personnel or others, to better explain some of the unique features of a university. Only by communicating with the public much more effectively than at present will universities obtain the understanding and support that will enable them to be effective. Universities need willing listeners, listeners who can then help to link universities with the diverse communities they serve. As Yale's late president Bart Giamatti (1988) observed, if a university fails to "redefine and reassert itself, to be accountable or even appear to be accountable – either because of smugness or of a failure of nerve .... the result is a vacuum of definition and public education about the nature of higher education" (p. 26). No university can thrive in such a vacuum.

This paper addresses the following question: What is the difference between academic and business institutions and why?

The paper must be appropriately modest in its objectives in that it is not written by a professional student of organizations, a practicing political scientist, sociologist, or organizational analyst, all of whom might attempt to explain how organizations work, and how one type differs from another. It is written by an ex-dean of business who for over a decade had an opportunity to assess how outsiders react to the university, what they find easy to understand, and what more difficult. Subsequent sections of this paper focus on the following questions, and attempt to highlight some of the differences between universities and other organizations:

– Why is it difficult to set goals, and to measure progress toward those goals?

– Why is the concept of "efficiency" difficult to apply?

– Why are there so many committees, and why are they so large?

– When does competition move universities toward better performance, and when does it not?

– What unique qualities are required of a university leader?

– What about those posh work conditions?

The Goals of a University

It is important to start with the question of goals. Many organizations clearly state their goals. People expect the same of universities, particularly since universities are home to the articulate. A lecture on "The Goals of the University" is likely to be filled with platitudes and not much more. Many universities have struggled for years to state clear and concise goals. But clear goals attract conflict in an institution with such diverse constituents. Thus when goals are stated they tend to be vague and not easy to measure.[1]

Universities are among those organizations which have been referred to as *organized anarchies* – a term which need not be pejorative, but requires explanation. In writing about the typical American university, Michael Cohen and James March (1974) wrote that this institution:

> ... does not know what it is doing. Its goals are either vague or in dispute. Its technology is familiar but not understood.... These factors do not make a university a bad organization or a disorganized one; but they do make it a problem to

describe, understand, and lead.(p.3)

The challenge is to understand why a university must be so characterized and when this should and should not be of concern to members of the public.

Goals and measurement. The general task of a university, and that against which its performance should be measured, is succinctly stated by Edward Shils (1984) as "the methodical discovery and the teaching of truths about serious and important things" (p. 3). This statement must always be in the minds of those who think seriously about universities, and the reader must keep it in mind as various issues are addressed in this paper.

Progress towards goals normally requires measurement. If it is hard to measure progress, having specific goals may be of limited value. Objectives in private firms include market share, return on equity, growth in after-tax profits, penetration of new markets, stock prices, or other readily measured goals. Measurement is a problem in academia. We claim to measure research output, but do so poorly. We dare make no such claim about teaching effectiveness. The technology of teaching and learning in a university is poorly understood. The merits of different methods of teaching, and of organizing the educational process, is a source of constant debate.

The *Maclean's* (1991) article which ranked universities highlights the problem. None of the measures used by *Maclean's* reflect the quality of *output*. All are *input* measures. Yet, "value added" is what is important, and *Maclean's* (and all other) ranking completely ignores this fact. We accept this only because it is the best we have been able to do.[2] As Derek Bok (1986), Harvard's president at the time, observed: "Neither students nor other interested audiences can tell how effective their education is or how its quality compares with that of other universities.... No universities attempt to measure how much their students learn" (pp. 177-78).

Two conclusions are drawn from the foregoing. First, although the main task of any university is the same, emphasis will differ and specified goals are likely to be somewhat ambiguous. Second, in contrast to many organizations, progress toward goals pertaining to the quality of teaching and research is difficult, if not impossible to accurately measure. The informed qualitative judgement of peers may be the best we can do. In this, universities differ in substance from many private sector activities where growth and profitability over a protracted period are generally viewed as measures of success.

Focus on efficiency. A colleague and accomplished scholar on organization structures has observed that "the more inefficient the University is the better". Interested members of the public may find this difficult to understand. But there is wisdom behind it. First is the concern that in being *efficient* we focus too much on a production technology/process about which we know very little. How can we be efficient if we do not know what to measure? It is too likely we will measure the wrong thing.

Outside pressures toward increased productivity measurement may have a detrimental effect on universities. We will measure what we can, and research output is more easily measured than teaching output. Annual performance assessments look to papers published, papers presented, papers refereed, theses supervised, students taught, research grants received, and other measures of annual "productivity". Focus on productivity, numbers to be quoted to governments, boards of governors, and the concerned public, draws attention away from that which is of fundamental importance – the unmeasureables which relate to the quality of the work and its long-term impact. One result has been the proliferation of low quality publications which threaten our forests and make it more difficult to keep on top of the literature in a given field.

Harvard's former Dean of Arts and Science noted an interesting (if facetious) idea for dealing

with excessive publication. He suggested that "all academic appointments would be made to the rank of full professor. Every book published after the initial appointment would bring an automatic cut in rank. Obviously people would only publish if they truly believed that they had to say something of enormous importance" (Rosovsky, 1990, p. 89).

Second, Rosovsky (1990) also noted that "in protecting the right to fail, the university provides a valuable service to society". Professors, particularly those in science, constantly risk failure in their search for answers. The answers are often not found. Maintaining institutions which support the search for answers, and stimulate minds to continue the search, is of immeasurable value. How do we attach a measure of efficiency to this search? The usual concept of efficiency is not useful in some instances.

An enormous responsibility, however, accompanies this "freedom to fail". Professors must, with obvious commitment, pursue their research and teaching. Most do. Those who do not, do not belong in a university.[3] Fortunately, little distinction between work and pleasure exists in the minds of committed academics. Alexander Gerschenkron, my economics history professor at Harvard in 1965, worked in a shipyard when he first landed in the United States. He found that such "work doesn't follow you at night into your dreams. Is scholarship pleasure or pain? If someone cuts your leg off, you know it's pain, but with scholarship you never know" (Rosovsky, 1990, p. 213).

Third, efficiency focuses on speed. Universities should not attempt to respond to the tastes of the day – tastes will have changed by the time we respond. The relationship between what is truly important and current trends in academia and elsewhere is often tenuous or nonexistent. Surely it is important for universities to identify major trends and needs in society. Such processes take longer. This appears unresponsive and inefficient, but it may be effective. In sum, efficiency is a difficult concept to apply to the major task of universities. However, this does not mean it can be ignored.

Decision Processes and Governance

There is a hierarchical structure of authority in business organizations which is not found in universities. In universities, as in other professional organizations, much power rests with the professional staff, in this case the faculty. Teaching and research are at the heart of a university, and professors control teaching, research, and the development of academic programs. The status of top professors is as great or greater than that of a top university administrator on issues of academic policy. Thus, there is a dual authority structure within the university. There exists a hierarchy of chairs, deans, vice–presidents, and the president. This hierarchy confronts the academic authority system where professors dominate.

There is a story which, whether told by a university dean or president, says much about the culture of a university. It is simple:

Question: When there has been a hit–and–run accident on the highway how do you tell if a dean/president or snake has been hit.

Answer: There are skid marks before the impact if it was a snake.

Within the university culture this joke makes an important point. It reflects the division between the hierarchy of administrators and the professorial ranks – a division which has not always existed at Canadian universities, but one which has become more common as universities have become large and have chosen leaders for their "management" abilities. In telling the story, the teller acknowledges the limitations on the teller's authority within the organization. Without such understanding, the individual cannot succeed.

The reality of dispersed and shared authority in a large and complex organization means that academic policy–making is fragmented. Each area has its own expertise, and it is not easy for top administrators, including a president, to take significant initiatives in academic policy. The dispersion of authority to many individuals and the

difficulty of providing direction from the top mean that a consultative and lengthy consensus building process is needed for new initiatives. This lengthy consultative process distinguishes the university from many private businesses, but not from some large and complex organizations.

Because of the authority and power of each academic, the structure of decision-making differs in a university from that in most business organizations. In the university it is essential that communication between the academic staff and management remain wide open. The collegial decision process requires this. Faculty members insist on participating in decisions relating to academic programs and priorities. Administrators who attempt to be directive are seen as inappropriately exercising power. At the same time, if they are not directive, then they are seen as ineffective leaders. Every university administrator walks this tightrope. The result is a comprehensive consultative process as the university moves toward decisions, and a situation where the leadership of the university is seen as inadequately directive from outside, and excessively directive from inside. If a university president appears as the strong leader that outsiders feel is needed, the person is all too likely to have few followers in his or her organization.

The consultative process means committees - many more committees than other organizations, more permanent committees that meet regularly, and larger committees to ensure that the many constituencies are represented.[4] Those who come to a university from business are struck by the number of committees, their size, and the interminable length of meetings with little direction from the chair. While it is undoubtedly true that some committees may be unnecessary and very inefficient, the following observations are important.

(1) Committees do not necessarily delay a final decision. A U.K. study found that although decisions within universities passed through twice the number of committees, it took no longer to reach final decisions within the university than in other organizations.

(2) Standing committees which meet on a regular basis may actually speed the decision-making process as materials are prepared in anticipation of the regularly scheduled meetings.

(3) The committee structure ensures representation of key constituencies at each stage in the decision process. This is essential if the decision process is to work smoothly. The multiple committees within the department, faculty, and general faculty councils ensure that the faculty have a full opportunity to participate in decisions. Although a small minority of faculty may generally avail themselves of this opportunity, nearly all would insist on the right to participate. Faculty members are often as much or more concerned with the process by which decisions are reached as with the quality of the decision.[5] This speaks to the need of an academic to be confident that important decisions have been reached in a collegial fashion. It also speaks to the lack of confidence in "managers" to make appropriate "academic" decisions. These realities are part of the nature of a university, and part of the challenge to its leaders.

The high level of democracy that is evident in the committee and voting systems within universities is also found to a significant degree in other professional organizations. Problems faced by the managing partners of large professional accounting offices may be similar to those faced by deans. In both organizations there is an emphasis on collegiality, and in a "formal voting system (which) underpins the equality of authority" (Greenwood et al., 1990, p. 734). No doubt the hierarchical structure of decisions in accounting firms is sharper, but there is a dualism here as with universities.

It is important to recognize that given the nature of a university, efficiency is effectively served by a complex committee structure. As one study concluded, "there is no support for the presumption that decision-making in public professional organizations is typically a stultified maelstrom" (Hickson et al., 1986, p. 219). This does not and cannot deny the need to periodically consider the streamlining of any system loaded with committees,

but it does deny the possibility of eliminating a complex committee system within a university.[6]

Accountability and Consumers

The public sees educational institutions as insufficiently accountable. This is related to the problem of measuring output. If we do not understand the technology of how to generate and transfer knowledge, it is difficult to account for our achievements in the shorter run. Even over the longer run, living standards in parts of Canada may more closely reflect movements in commodity prices than the effective development of human capital and research at the university. However, as the recent report by Michael Porter (1991) indicates, inadequacies in education may become more apparent in the future as natural resources become less important.

Within the private sector, shareholders and consumers hold firms accountable. Consumer satisfaction and profitability go hand in hand. Dissatisfied consumers can and do shift to other products. While it is possible for students to select alternative programs, this possibility is likely to have little impact on undergraduate programs in major Canadian universities, particularly on those programs heavily oversubscribed. This may be reinforced by the tendency of employers to seek students for intellectual talent and personal characteristics rather than for particular courses taken or skills acquired in the university.[7] In contrast to the situation for undergraduate education, universities are highly competitive within the spheres of graduate education and research. Pressures and rewards for success in research are great. Academic administrators have all competed intensely to attract the most talented researchers. They can speak of their failures and successes. This spills over to graduate students, for the better ones are attracted to the leading lights in their field. Competition for research grants is also intense. These grants are a significant part of the marginal resources available to universities. Whereas the university may not be able to influence provincial grants linked to formulas, successful competition for research grants builds institutional image and attracts and supports graduate students and research faculty.[8]

The measurement of success in terms of grants received and papers published reinforces research, as opposed to teaching, as the focus of the competition between universities. As long as clear measures of teaching quality and substantial grants for teaching improvement do not exist, calls for improved teaching will receive little attention. Until universities know much more about the technology of education, this situation is unlikely to change very rapidly. These institutions should attempt to develop measures of teaching output and effectiveness. In the meantime, universities are in a very difficult situation. Stuart Smith (1991) is able to conclude that there is no evidence that years of financial restraint have caused serious decline in the quality of university education, and the evidence does not permit confidence concerning beneficial effects from increased resources.

In sum, problems of measurement limit the accountability of universities. Acceptable output measures, in terms of the "value added" to students, do not exist. The result is inevitably, too much of a focus on research. Even here, researchers must have the right to fail, or to make incremental contributions, the benefits of which are not recognized for years or decades. There is an inevitable tension between adequate accountability in the public's eyes and the "methodical discovery and the teaching" of important truths.

Leadership and Work Conditions

Leaders and managers. Successful academics begin their career due to a love of teaching and/or research. They do not want to be managers – those classic shufflers of paper. The public perception, as often heard from the business community, is that those who cannot do, teach. Academics may extend this one step further: those who cannot teach or do research, manage. Any academic administrator is suspect. So, it is important that they be in the job only reluctantly, for their first love must be teaching

and research. If it is not, then the ability to understand fellow academics is in question. Leaders in other private sector organizations may be seen differently. The second difference is that academic administrators often come to their positions with limited management experience. Most return to teaching or research. Few climb the hierarchy, or remain in management positions.

Leadership involves setting directions for an organization – the notion of strategic planning. It is, however, important to understand the likely limits of leadership, and strategic planning, within a university. First, presidents, vice-presidents, and deans are in their positions for relatively short periods, periods often too short to include much of the period a plan may cover, particularly when the time to formulate the plan is included. Second, where goals lack clarity, it is difficult to develop clear plans; and where measurement is difficult, a high degree of specificity is suspect. Third, the diversity of individual interests in the university, where faculty members' primary concern relates to their own teaching and research, means that the interest in, and support for, comprehensive planning will be limited. Given the importance of interactive support between the faculty and administrators in the academic setting, this means that planning will receive a relatively low priority. This is something those outside the university may find difficult to accept and understand, but it is inherent in the institution.

There are, nevertheless, opportunities to lead, even if such opportunities in a university are more highly circumscribed than in more hierarchical organizations. As one friend has put it, the ability to lead in a university depends on the ability "to sound a melodic phrase". The leader must be heard to say the right things, in the right spirit, creating the right image. In this regard universities differ little from some organizations, other than that fragmentation of power and prevalence of individualists within a large university reduce the likelihood of a university leader sounding such a phrase. Undoubtedly, the "melodic phrase" must arise from sensitivity to the diverse forces at play in the university.[9] By hard work, persistence, overloading the system with some initiatives which can be sacrificed, and guiding the forces of inertia in the university, the academic administrator may achieve a great deal. Only through the subtle use of existing forces is success likely. Heavy handed leaders will make little progress. Rosovsky (1990) of Harvard concluded that "the quality of a school is negatively correlated with the unrestrained power of administrators" (p. 13). Outsiders may have trouble seeing this, but in a large university effective leadership must be largely unobtrusive, causing academics, whether knowingly or unknowingly, to end up where the leader wishes them to go.[10]

Budgeting and fund raising processes also provide academic administrators with an opportunity to lead. Through annual operating budgets, deans, vice-presidents, and presidents can set directions, but these directions are constrained by past allocations and expectations they have generated. Greater freedom exists when new funds can be claimed to flow from special initiatives of the leaders. New funds permit the leader to more clearly identify his or her priorities.

Tenure. The comfortable, secure, unproductive, tenured university professor is an image which has harmed universities. This person is seen as an individual with great freedom, few formal obligations, no regular required work hours, and no required place of work except for a few hours of classroom teaching. As Rosovsky (1990) has observed, this is "a perfect prescription for laziness unless work and pleasure are highly correlated – and they are" (p. 187).

It is true that tenure causes some management problems for academic leaders. It has been abused by a few faculty in the past. It creates rigidities in bringing about change in the institution and it is a feature of the university which the public, whose support we need, does not find acceptable. But it is important for the long term health of individual universities, and for society.

One reality is that to remain competitive with other institutions universities have to offer attractive work conditions. When attracting accomplished tenured professors from other institutions, tenure is an issue. This must be considered in light of the intensely competitive environment for top faculty.

But other issues are more important than that of institutional competitiveness. One relates to the "right to fail". Freedom for an accomplished scholar to pursue, with security, that which the individual considers to be important is essential for our society. In doing so the individual scholar may fail to attract pools of research money and may receive limited annual recognition, but starvation for the scholar's family is not being risked.

Another is that tenure enables the university to fulfil its role as a home for seekers and communicators of the truth, however unpopular or unattractive that truth may appear. Some people in powerful positions will always wish to limit debate on certain issues. And within universities it is not unusual for scholars pursuing certain lines of inquiry, which strengthen or weaken conclusions reached by others, to be unpopular. Society benefits from the protection of truth telling that is the responsibility of universities. That there is some social cost associated with providing this benefit is to be expected. What is essential is that tenured professors are active in the pursuit and communication of knowledge, and that thereby the benefits of tenure outweigh any costs. This is not a given. In the case of tenure, universities have to ensure the quality of their decisions. Tenure decisions must be of consistent high quality. They must be better than they were at many universities during the period of rapid growth from the 1960s to the 1980s.

Sabbaticals. Sabbaticals are also viewed as a luxury by outsiders – a year of paid vacation from a job which at the worst of times is limited to a few hours in front of a classroom of compliant students for little more than half the year. That professors have tremendous freedom in the use of their time is a fact. The freedom is there to be abused, but seldom is. Sabbaticals have become increasingly essential with the rapid expansion of the knowledge base in all disciplines. President Bok (1986) noted that while it took Harvard 275 years to collect its first 1 million books, it took only five years to add the most recent 1 million. To stay on top of the knowledge base, to add to it, and to transmit it in a structured manner to students, requires blocks of time. In some disciplines, this may require temporary relocations to benefit from resources and personnel at other institutions.

It must also be noted that many individuals choose not to take this form of "paid holiday". This is most often because lab or other facilities permit individuals to be most productive if they do not disrupt on-going research programs. The concept of sabbaticals might be well-served if it were known how many eligible individuals do not take them, and how many others, at considerable personal expense make this further investment in their teaching and research capability. Although still rare within business, sabbaticals have become more common outside of universities. The basic question is whether the public receives value for money, and this gets back to our problem of measurement.

Other personnel matters. Peer pressure and regular peer assessments of research and teaching accomplishments ensure that a professor's performance is under regular scrutiny. Feedback is frequent. For tenure and promotion, experts from outside are called upon to indicate whether the individual has made a significant contribution in her or his particular area. Failure to gain tenure or promotion is a public event, evident to colleagues within the organization and to referees, usually leaders in the field, from outside. Talent and hard work are generally required to succeed, but even these attributes provide no guarantee.

It is also important for the public to understand the components of work environment that enable the university to attract the professors that it

most wants. Salary as a factor is of less significance than for most jobs. The freedom and security to explore issues of importance to the professor is critical. Library, data sources, lab facilities, and able colleagues and students are also essential, as are the computer, phone, and travel budgets which make it possible to communicate effectively throughout the world with those having similar interests. Take away even one of these components and the competitiveness of the university is sharply reduced. The public is too likely to look only at salary, teaching hours, and job security, and wonder why the university is having trouble. Indeed, explaining the complexity of the university to its public is an enormous challenge.

Outsiders also express concern about what seems to be a lack of faculty loyalty to universities. Why is faculty loyalty no greater? In fact every academic has a dual loyalty – first to the person's discipline, and (a distant) second to the home institution. Performance as recognized within the discipline determines the recognition and rewards an individual receives nationally and internationally. It is the discipline that has the real rewards to bestow. Loyalty to discipline means loyalty to a department and its programs, and much less to a Faculty or to the University. Since institutional ties are not deep, it is particularly important to maintain competitive work conditions. The public may also feel that academics too freely voice criticism of the institution of which they are a part. Such acts are less likely in the business world. The methodical discovery and teaching of serious and important truths, however, is not something to be pursued selectively. It is all or nothing. This requires that university professors not only be permitted to publicly criticize university activities where they deem it appropriate, it requires that they do so. If there is no sound basis for such criticism they receive the attention they deserve. If there is a sound basis, faculty are meeting a professional responsibility. In no way does this deny the difficulties that such criticisms may cause for the university and its leaders; it merely says that without it universities would be much weaker.

Summary

The foregoing has focussed on four main areas: setting goals and measuring progress, governance, accountability and sensitivity to markets, and leadership and personnel policies. In each area universities differ from many other organizations.

First, the general goal of a university can be easily stated. It is much more difficult to specify sub-goals, and to measure progress toward them. We know little about the technology of education – or how universities can best succeed in the education of graduate and undergraduate students. We continue to lack reliable output measures. Nor can we reliably measure research contributions made by particular institutions over short periods of time. These difficulties complicate the job of academic leaders who, recognizing their accountability, wish to provide indicators of performance to the public.

Second, attention to efficiency, or the measurement of that which can be measured, may lead universities to focus on the wrong things. Efficiency measures usually require quantification of output. Much that a university produces cannot be quantified; attempts to quantify may channel resources into activities which generate short run outputs of questionable value. This is not a comfortable argument to make to a demanding public, but it is one which must be made.

Third, as a large and complex organization, one in which power is dispersed in the hands of individual faculty members, policies affecting teaching and research (which are at the heart of the institution) must be developed through a system which permits active participation by professors. This requires recognition of the importance of process relative to the content of decisions. It does not deny the possibility of leadership, but it requires that effective leaders use existing structures and the inertia of the institution. It also requires acknowledgement of the gap between "managers" and "academics" that exists in large universities, and

a constant effort to reduce the distrust caused by the gap.

Fourth, competitive forces are great in some areas of university activity, less so in others. Immobility of undergraduate students, and problems in measuring teaching quality, reduce competitive pressures to improve undergraduate programs. In contrast, competition between universities for top professors and graduate students is great. Competition for research grants, and for space in leading academic journals is also intense. Inadequate performance in research and graduate education quickly becomes visible.

Fifth, public universities are accountable to the public. This does not mean abrogating the university's responsibility to pursue its task of "methodical discovery and the teaching of truths about serious and important things" in order for the "quarterly" or "annual" report to look better. It does mean that universities must with vigour explain their mission and value to their constituents. In tight fiscal times this need is greater, but it is an ever-present need.

Finally, certain employment conditions at universities are often questioned. Tenure, sabbaticals, and relatively few classroom hours are foremost among these. These are essential features to a strong university, but they create a danger for a university. If they are abused, they inevitably lead to a loss of public support for the university and its central task. This means that those who value these features of academic appointments must (a) constantly explain their value to the public, and (b) honour the public trust not to abuse these features which are central to the university.

Increased understanding is likely to result in increased support for universities. Given the complexity of large modern universities, and their uniqueness in some respects, this understanding will result only through constant efforts by university personnel, and by friends and alumni, to explain the university to the public.

Notes

1. Cohen and March (1974) note that "the level of generality that facilitates acceptance destroys the problematic nature or clarity of the goal. The level of specificity that permits measurement destroys acceptance" (p. 196).

2. Rankings like *Maclean's* also create problems for schools with multiple objectives. For example, a school was higher if it had a lower acceptance rate, if entering students had a higher grade-point average, and if a larger share of students were foreign or from out of province. Each of these has implications for accessibility to various Canadian universities. Each institution must do its own balancing.

3. Shils (1984) discusses some of the problems accompanying the development of "mass universities" – those that grew too quickly and became too large in the post-war period. He notes that "mass universities have grown too greatly and too rapidly in the size of their teaching staffs for the supply in sufficient numbers of teachers of outstanding talents, discipline and devotion to their calling" (p.14). Many Canadian universities, to a degree, shared this experience, and in the 1980s and 1990s have been addressing this situation.

4. I am not aware of a comparison between university committee structures and those in private organizations in Canada. However, I expect that the situation in Canada is similar to that in Britain where Hickson et al. (1986) found universities to be "most committeed". Decisions passed through twice the number of committees as in other organizations, many more of the committees were "standing" as opposed to "ad hoc", and committees on average were close to twice as large.

5. In drawing a comparison between managers of business firms and academics Hickson et al. (1986) found that "In a firm, adequate information and adequate resources to implement a decision were the main conditions for success, but in the universities adequate participation and agreement were more important... Whilst managers in business firms appeared to emphasize comparatively instrumental requirements, academics appeared to put greater store by the process of getting to the decision" (p. 228).

6. It should, nevertheless, be understood that many important decisions are made at the highest levels with limited committee involvement, and with clear direction from senior administrators.

7. Derek Bok (1986) concluded in his books that "the effects of competition on the quality of education are weaker and more haphazard than they are in the commercial world or in many other fields of endeavour" (p. 180). He came to this conclusion in the U.S. environment where the competition for undergraduate

students, and the variety of undergraduate programs, is much greater than in Canada.

8. The importance of "world class" scholars/researchers to the quality of undergraduate education is a more active point of discussion in the United States than in Canada. This is due to the lesser role played by small liberal arts colleges in the Canadian undergraduate arena. For a statement in support of the value of research to undergraduate education see Henry Rosovsky's (1990) chapter 5.

9. In the words of President Giamatti, "Leadership... is the assertion of a vision, not simply the exercise of a style: the moral courage to assert a vision of the institution in the future and the intellectual energy to persuade the community or the culture of the wisdom and validity of the vision. It is to make the vision practicable, and compelling" (p. 43).

10. Derek Bok (1986) expressed disappointment that many of the good ideas which he brought to the Harvard presidency seemed to go nowhere in the first two years. After several years in the presidency, however, he found that nearly all of his ideas had come into being. With good appointments, with persistence and hard work, and discrete direction, it is likely that others will pick up the good ideas and make them happen.

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